Current Situation of Institutional Arrangements

Romania has committed to the development of a low carbon and green growth path, making green growth and action on climate change a national priority.

At the country level, Romania has adopted the National Climate Change Strategy 2013-2020, as well as the National Strategy for Sustainable Development 2013-2020-2030. An updated and more operationalized Romania National Climate Change and Low Carbon Green Growth Strategy for 2016-2030, supported by an action plan in 2016-2020, has also been developed. At the European level, the country adheres to the goals of the Europe 2020 Strategy as a member of the European Union, and is part of the process for establishing 2030 emission reduction targets of greenhouse gases (GHG). At the international level, Romania is a signatory of the Kyoto Protocol and has committed to reducing emissions and being part of the global effort to evaluate, adapt to, and reduce the impact of climate change (CC).

Despite these positive legislative and policy developments there continue to be significant weaknesses in the administrative capacity of the key institutions in Romania to respond to the ongoing evolution of CC policy and – most immediately - to implement the climate actions laid out in the new Strategy and Action Plan.

Ever since Romania was negotiating entry into the European Union, and to various degrees since then, the country has been trying to reform its slow-moving and heavily bureaucratic administrative apparatus. This remains a major stumbling block and is of particular concern for such a rapidly evolving policy area as CC. Even as Romania makes efforts to reach its 2020 targets the European Union is seeking consensus for 2030 policies, whilst within the larger international community, the aim of the 2015 United Nations Climate Change Conference (COP21) in Paris is to establish further commitments and policy targets. Romania needs to develop the necessary tools and institutional capacity to fully and effectively participate in these international negotiations, and then subsequently design responsive, evidence-based policies at the national level.
The Government of Romania is undoubtedly committed to fulfilling the requirements of the UN and EU for combating climate change. However, a serious impediment to effective CC action is the fact that CC is a cross-sectoral policy implemented by the Ministry of Environment, Waters and Forests (MEWF) – but MEWF only has authority over a fraction of the relevant issues.

For example, funds from the EU Emissions Trading System (ETS) have stayed largely untouched due to an implementation mechanism that is incapable of analyzing national CC sectoral priorities and selecting appropriate projects. Other ministries, who had the possibility to access the funds have made minimal or no attempts to do so. Conversely, even when a policy is put into place there have been no available tools for monitoring performance, as in the case of housing stock energy efficiency programs. Climate change finance has spurred innovation internationally, but Romania still needs to build its capacity and expertise in order to make good use of the funds it is eligible to access.

It is encouraging that the Government of Romania both acknowledges the need for improving the cross-sectoral integration of CC policies and actions, and views this as part of its overall effort to address its dysfunctional horizontal policy-making processes and improve its public administration management.

In its 2014-2020 Partnership Agreement with the European Commission, Romania noted a distinct lack of coordination between ministries and entities that coordinate intra-sectoral responsibilities and a high degree of administrative fragmentation. The Ministries of Environment, Waters and Forests (MEWF), Economy, Trade and Tourism (METT), and Transport (MT) were particularly mentioned as being in need of reform and it is anticipated that Romania’s general efforts to improve public administration management and expertise in these ministries will help to boost CC administrative capacity. For example, the Romanian National Reform Plan discusses a reassessment of the management standards in public administration units, including the formulation of new national strategies for training public servants. This would include specialized training programs on priority sectors, including on the subject of climate change, for many employees, not just those in management positions.

Co-ordination and synergy with all existing national efforts to improve administrative capacity will be essential for efficient implementation of the Low Carbon Green Growth Program (LCGGP) in Romania. However, CC expertise still remains extremely limited at the operational level and this impacts all aspects and levels of CC policymaking and the capacity for future planning.

A number of specific gaps/needs in institutional capacity have been identified:

*Capacity gaps/needs in terms of engaging the international CC Community* - Romania currently lacks the capacity and coordination necessary to participate effectively in international CC debates and European policy-making. As new international CC commitments are created, Romania will need to be less reactive and more proactive. It will need to engage more with evidence-based policy-making and increase transparency in its international CC negotiating position through more functional intra-institutional communication and greater consultation with stakeholders.
Administrative capacity gaps/needs at the national level - CC is not generally seen as a national priority in Romania, except in the situation of dealing with urgent national disasters. The CC policymaking process is highly bureaucratic and can at times be slow and ineffective with very little consistent, long-term planning. Furthermore, Romania currently has almost no effective, rapid tools for assessing the impact of CC policy. One of the greatest challenges facing the Romanian authorities is operationalizing CC knowledge into effective public policy making – a problem compounded by the MEWF maintaining few active partnerships with external experts whilst suffering problems of under-staffing, high institutional turnover and administrative instability.

Administrative capacity gaps/need at the local level – not surprisingly, institutional capacity for stepping up climate actions at local level is also largely underdeveloped and there is a lack both of incentives for local authorities to create or implement climate change policies and interest / opportunity for community engagement around climate change issues.

Recommendations

The current situation and areas for improvement in the capacity of implementing National Climate Change Strategy have been analysed and have led to a number of clear recommendations for institutional capacity building.

A gradual and long-term approach to addressing the challenge of building institutional capacity is proposed. The up-to-2030 timeline means that measures proposed in the LCGGP will need to be revised over time, but the initial capacity building will need to be fairly intense in order to ensure a solid basis on which to build.

In order for CC policy to be effective in Romania it must be treated as both a national priority and a cross-sectorial responsibility. National authorities must claim ownership of the CC issue.

Currently the MEWF is the only institution legally responsible for CC, despite the fact that its actual authority covers at most a tenth of what CC policies need to cover.

MEWF is overwhelmed and is likely to become more so without appropriate capacity-building and administrative reform.

CC policies need to have the broad and committed support of the public, authorities, and industry alike, and will need to be integrated into overall national reform efforts.

A more inclusive and informed policy-making process is needed, and this can only occur when more of the stakeholders are involved and made aware of the extensive CC implications for their individual sectors.

This multi-stakeholder approach will require the legal framework to be fine-tuned to allow for inclusive and open CC policies, supported by the smart use of ICT. Furthermore, CC policy will need to be implemented following the subsidiarity principle, starting at the most appropriate level, including by local authority units (LAUs), the private sector, households, and the civil society as a whole.
A key recommendation is therefore the creation of a Climate Partners Network (CPN) constructed on the basis of a public-private partnership.

This approach is inspired by best practice in Norway and would bring all relevant stakeholders together to leverage their cumulative climate change knowledge by giving them a way to organize, share information, and drive effective climate action. The CPN would also provide a link between public and private stakeholders without adding an overwhelming administrative burden.

Entrenched practices and attitudes need to be changed. CC must have higher visibility and remain consistently on the public agenda, instead of emerging only briefly after a disaster, and it is recommended that the nexus of the coordination and implementation of CC policy should be a reformed National Commission for Climate Change (NCCC).

To-date the NCCC has been a somewhat ineffective body for policy coordination. It has rarely met in a consistent manner and has operated under the sole responsibility of the MEWF, mainly approving Joint Implementation projects and not focusing on other climate policies. In order to implement the LCGGP the NCCC must now be reformed with a legislative set-up that ensures it becomes a fully functional and powerful co-ordinating body.

The new proposal for the NCCC has a political and technical tier, with several working groups (instead of just one) that will receive and use feedback from the scientific and business communities, as well as engage with the private sector and civil society through the CPN.

All recommended actions will rely on increasing the public’s level of awareness, engagement, and participation.

Across Romania the interest in and knowledge of CC and its effects are limited, including within public administrations, project managers, and designers and civil society as a whole. In order to ensure that interest and commitment to implementing the LCGGP is maintained, it will be essential to raise the status of CC and slowly build the general public’s level of knowledge and the level of expertise among policy makers and project managers.

In the medium-long term, strategy implementation will need to be accompanied by changes to the educational system.

Previous educational reform efforts have tended to not take global economic changes and trends into consideration. This has led to a near complete lack of experts in sectors key to the Green Growth program’s long term goals, like climate change or developing a low carbon economy.

Education in the near future should be based on needs that are established in partnership with administrative and economic factors and in consideration of market and development priorities. Life-long learning programs could reduce shortfalls and should therefore be encouraged and implemented, particularly for public servants.

An efficient use of the European Structural and Investment Funds (ESIF) could help in fulfilling this objective.
Monitoring and evaluation processes will need to provide the fodder for policy adjustments based on scientific research, national priorities and market needs.

Romania’s policy making and program design has not been historically built on a substantial basis of evidence. The policy process currently makes the aggregating, monitoring, and evaluating of data onerous and highly time consuming, if it is collected at all. The LCGGP has already provided Romania with some modelling instruments, for which it will have to build capacity. However, a more robust monitoring and evaluation framework around CC data will need to be adopted for all future strategies, programs and projects.

Financing

In order to create effective capacity building measures, CC will need to be treated as national priority, comprehensively integrated into all levels of policymaking and budgets planning.

The small amount of funds dedicated to CC programs, and the lack of effort to track the impact of those programs that were implemented over the years have shown that CC has not captured the imagination of the Romanian administrations. The fact that the great majority of available ETS funds remain locked behind a non-functional law, is perhaps one of the best examples of how little attention CC investments have received. Nor is climate change part of the national conversation, except for the immediate aftermath of national disasters. This might change though, since European funds require that a minimum of 20% be used for climate action during the 2014-2020 period, and GHG emissions are now tracked as indicators for some of the operational programs. The national and local budgets will need to actively include CC considerations and allow for long term planning based on a solid basis of evidence. Public-private partnerships and pilot projects will be useful implementation tools in these efforts. However, capacity building for the implementation of the LCGGP is only a part of the larger national effort that Romania will have to undertake in order to create an enabling environment for CC investment.
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